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INFORMATION REPORT

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COUNTRY Bast Germany REPORT SUBJECT Soviet Troop Withdrawal from East. DATE DISTR. 16 November 1954 Germany NO. OF PAGES 25X1 DATE OF INFO. REQUIREMENT NO. PLACE ACQUIRED 25X1 25X1 THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.

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It is rumored that a partial withdrawal of Soviet occupation forces from the East Zone of Germany is expected to begin in January and to continue until March 1955. This action will be accompanied by a reorganization, reequipment and legalization of the KVP with former Field Marschal Friedrich Paulus in command. The propaganda based on this move wuld be aimed principally at West German sentiment. Renewed emphasis will be given to four-power disarmament discussions.

Comment: A major withdrawal of Soviet troops at this time does not appear practicable, as the seven KVP divisions can hardly be expected to achieve a first-line status until the autumn of 1955. While the East German manpower potential is capable of supporting twelve divisions, additional divisions could not be brought up to full strength before the end of 1956 even if a compulsory draft were now instituted. Withdrawal from East Germany might lay the Soviets open to a Western demand for a similar withdrawal from Austria for which the Soviets are not believed to be ready.

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